

Procurement Modernization Commission

Workforce Workgroup Minutes

Wednesday, June 1, 2016

10:00 - 11:30 AM

A. Participants:

Gail Bassette – Secretary, DGS
Al Bullock – Chief of Staff, DoIT
Sheryl Brissette Chapman – The National Center for Children and Families
Rachel Hershey – Procurement Supervisor, DBM
Kevin Igoe – Chief of Staff, DBM
Monica Best-James – Blind Industries and Services of Maryland (BISM)
Herb Jordan - GOMA
John Molnar – Integrity Consulting
Janice Montague – GOMA
Suzette Moore – Assistant Secretary, DGS
Marc Nicole - Deputy Secretary, DBM
Merril Oliver – Governor’s Grants Office (GGO)
Devan Perry - BPW
Jamie Tomaszewski - Chief of Procurement, DBM

B. Minutes:

1. The meeting commenced at 10:10 a.m. with introductions and a review of the duties assigned to the Workforce Workgroup, namely:

- (a) Standardizing best practices and COMAR interpretations across all State agencies;
- (c) Developing Statewide procurement procedures manual, divided by industry sector;
- (d) Developing Statewide procurement training curriculum;
- (e) Addressing impediments to attracting and retaining quality procurement staff; and
- (f) Developing self-directed training module for businesses to learn how to bid on State contracts.

2. Workgroup members then provided updates on assigned action items from the May 5th Workgroup meeting:

- a. Meet with NASPO and NCMA to get information on job classifications and survey job classification information in Maryland counties and neighboring states.**

Representatives from DBM, DGS, BPW and the Governor’s Grants Office met on May 24th via conference call with representatives from NASPO and NCMA to discuss procurement employees’ job classifications and salaries within Maryland compared to the surrounding states, counties and federal government procurement job classifications and salaries. DBM’s Division of Classification and Salaries (CAS) did an analysis to compare the State of Maryland Agencies to the Maryland counties and

Baltimore City. MDOT was not included in the survey, but will be added along with the surrounding states as a follow-up to the call.

A discussion with the national organizations indicated Maryland's procurement salaries fall on the low side of the national average. Maryland's average procurement salary of \$58,000 was in keeping with and slightly higher than those of Maryland counties in aggregate, but lower than those of some individual Maryland counties with which the State competes for staff. For example, Maryland's average procurement salary was lower than that of Montgomery (\$85,000), Anne Arundel (\$65,000), Baltimore City (\$61,000), and Baltimore County (\$61,000). Workgroup members are collecting additional information about state procurement salaries nationally to determine where Maryland's salaries fall nationally and regionally.

A suggestion was made to compare Maryland procurement salary information from federal agencies, paying particular attention to federal agencies within Maryland such as the Social Security Administration, the Centers for Medicaid and Medicare Services, the federal installations at Fort Meade, and others because these are known competitors for staff. In making salary comparisons, the Workgroup acknowledged the need to consider procurement salaries in the private industry as the State also competes with the private sector for staff.

The Workgroup mentioned U.S. Department of Labor update to the Fair Labor Standards Act regulations effective December 1, 2016, that would require payment of overtime to salaried workers under certain conditions, which would impact compensation of procurement officials among other state workers. Workgroup members also recognized that salary is not the only employment factor affecting retention and that additional factors such as supplying staff with requisite tools and training and workload also bear on staff retention.

Workgroup members also discussed requiring training and professional certifications for higher levels of compensation and classifications as well as commitments of time served in exchange for professional certifications. Also discussed was aligning State procurement classifications and salaries with those of comparable jobs in the private industry. Industry representatives provided a broad overview of salaries and job classifications in the private industry.

b. Collect information and training modules for procurement homepage.

Workgroup members reported that existing training for the business community has been compiled for posting on a central website. DBM has been meeting with DOIT to discuss the template for the central "eMaryland Marketplace" website pages that will be managed by DOIT. When developed, the web pages will include links to the Board of Public Works' and the control agencies' websites and tabs for the specific audiences of the business community and procurement staff. Workgroup members also requested that the Non-profit community be considered as part of the business community audience.

c. Compare BPW's Procurement Manual RFP with procurement manuals from other states to identify additional content to include in Maryland procurement manual.

DBM reported that it continues to collect content recommendations for Maryland's procurement manual. In addition to those identified in the RFP developed by the BPW, possible other content areas include the following: Delegated purchasing authorities, exceptions and exemptions, identifying need, market analysis, choosing an appropriate procurement method, writing specifications, structuring a price form, use of bid and performance bonds, insurance requirements, advertising, holding a pre-bid/proposal conference; debriefings, avoiding and resolving bid protests, grants, single bid/proposals, award approval processes, ADPICS entries, procurement file documentation, statewide contracts, intergovernmental cooperative purchasing, and contract management. Workgroup members emphasized that the Procurement Manual should complement and advance the general procurement concepts covered by the national trainings and certifications by offering instruction on the application of the Maryland-specific aspects of the above topic areas.

DBM also reported that it has contacted select states with exemplary procurement manuals to survey the process by which those states developed their procurements, length of time it took to develop the manuals, and development costs. This information will be used to help the Workgroup form a recommendation on how Maryland should produce its procurement manual.

d. Gap analysis, starting with a determination of factors affecting Maryland's procurement ranking in *Governing* Magazine article.

Workgroup members reported they will discuss Maryland's ranking and factors affecting it as a means of establishing Maryland's baseline procurement practices in relation to national standards with identified researchers from *Governing* magazine following release of the March 2016 *Governing* magazine article titled "Purchase Power" by Liz Farmer. A discussion will be held with the individual when appropriate contacts are available for the discussion.

3. An ongoing topic throughout the discussions was certification and training for the State's procurement professionals. Information was obtained from NASPO during the May 24th conference call that detailed some available resources and was shared with the Workgroup. The Universal Public Procurement Certification Council (UPPCC) was jointly established by NIGP and NASPO to provide education and continuing professional development for procurement professionals. Certification training classes are provided through UPPCC and NASPO. The Certified Public Procurement Officer (CPPO) requires a bachelor's degree, procurement experience and procurement training credit hours; whereas, a Certified Public Procurement Buyer (CPPB) requires an associate's degree along with experience and training. There is affordable training through NASPO and grant funding available to the State through NASPO and through the Department of Defense (DOD) Procurement Technical Assistance Program (PTAP). DOD has \$600,000 in grant funding available to states for procurement training. NASPO would also provide assistance to the State to set-up its own certification program based upon the State's rules and regulations versus CPPO and CPPB. As a follow-up to the conference call, NASPO will provide information on the states surrounding DC to include retention and turnover data.

4. Discussion continued with an overview of the Workforce Workgroups tasks in relation to those of the other Workgroups. The members of the other workgroups provided a quick update on their progress.

5. The meeting concluded with the determination and assignment of next steps as follows (*parties assigned*):

- a.** Salary and compensation: Complete compilation of job classifications and distribute information ahead of next meeting for consideration of possible recommendations (*Merril Oliver, Jamie Tomaszewski, Suzette Moore, Gabe Gnall, and Catherine Hackman*);
- b.** Website: Complete webpages mock-up to distribute by next meeting [*Jamie Tomaszewski, Janice Montague (introductory content for business community tab), and Suzette Moore (introductory content for procurement staff tab)*];
- c.** Procurement Manual. Compile content into recommended outline. Contact other states for information on development process of procurement manuals. Additional comments related to recommended content can be emailed to: Jamie Tomaszewski (Jamie.tomaszewski@maryland.gov) and Rachel Hershey (rachel.hershey@maryland.gov) (*All Workgroup Members*); and
- d.** Gap analysis: Follow up with Governing magazine contacts to determine factors affecting Maryland's procurement ranking in the *Governing* magazine article "Purchase Power" by Liz Farmer (*Merril Oliver*).

C. Next Workforce Workgroup Meeting:

- a.** Wednesday, June 29, 2016, at 10 a.m.
- b.** Same location: DBM, 45 Calvert Street, Room 158, Annapolis, MD 21401